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MERCEANDUM OF CONVERSATION

Nicosia, Cypras December 15, 1964 Foreign Ministry

Subject:

Privileges and Demunities

Participants:

Acting Foreign Hinister Andreas Araouzos Mr. George Pelaghias, Chief of Protocol

Ambassador Taylor G. Belcher

Distribution: GTI

Embassy

I called on the Acting Hinister of Foreign Affairs to inquire as to the status of his deliberations on the question of ATL plates. The Minister presented me with a fairly thick file including his note of December 4 and my reply of December 9 concerning the privileges and immunities for all official Americans on the island. Also attached was a lengthy tabulation giving the names of the owners and details regarding the importation of their automobiles at present circulating with ATL plates.

When I questioned him regarding the columns indicating amounts due it turned out that the sizeable sums being assessed on the individual owners represented not only the one-time registration fee but also the circulation fees going back to the time the individual imported the car. The total amount, which was something over 12,000, did not include the circulation fee for 1965 which is due now. I expressed astonishment at this proposal which would require the payment retroactively of the annual fees and said I had certainly never anticipated a proposal which would include this ex-post-facto provision. I pointed out that at no time in the discussions between my staff and the staff of the Ministry had any intimation been given us that a proposal of this nature was even under consideration; on the contrary we had been led to believe initially that there might be some possibility of charging a moderate flat fee to cover a prorated registration fee and circulation fee depending upon how long the car would remain on the island. I pointed out that this was certainly a far cry from our original suggestion to the Ministry that the few remaining cars (at that time 34) might well be given gratis registration and a gratis circulation permit for the remainder of 1964, with the understanding that 1965 would be paid by the owner. Now the Ministry was not only indicating the Government of Cyprus would not approve any sort of prorated system but was also assessing fees retroactively. I felt this was an unfair burden to place on the individuals who had never had any warning whatsoever that there was a remote possibility of this kind of assessment being made.

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MARGINATION OF CONVERSATION.

Nicosia, Cyprus December 16, 1964

Subject:

Privileges and Immunities

Participants: Mr. Glafcos Clerides, President of the House of Reoresentatives

Ambassador Taylor G. Belcher

Distribution: GTI

Embassy

At the end of my call on the President of the House I brought up the question of privileges and immunities and in particular the matter of the ATA plates with which I knew he was familiar. I took advantage of our long acquaintance to speak quite frankly and informed him in detail of my conversation the previous evening with the Acting Foreign Minister and the Chief of Protocol. I pointed out that I viewed this proposed decision by the Government as unfair and unreasonable and that I would have an extremely difficult time justifying with my own starf the imposition of individual penalties such as those envisaged in the Foreign Ministry's proposal. I told Clerides that on the other hand I could sell with some reason the proposition that as from January 1 owners of cars bearing ATL plates who still wished to use them on the island would be required to pay the registration and circulation fees. Clarides expressed the view that such an arrangement would satisfy the members of the House who had attacked the present "illegal" system and said that he could appreciate my problems with the proposals as presently outlined by the Foreign Ministry. In view of the fact that he was leaving tomorrow he said he would take the matter up with the Minister on his return from Paris next Monday. When I pointed out this might well be too late and suggested he might somehow manage a holding operation until he got back, he immediately phoned Mr. Aracuzos (Acting Foreign Minister).

Without mentioning the fact that I had raised the subject he told the Minister (in Greek) that he had read the file which had been circulated and had one or two questions and comments. He asked if the Minister would hold up any final decision until after his return from Paris next week. Araouzos agreed and Clerides left me with the impression that he would support my suggestion by intimating to the Minister that he felt the House would be satisfied with a less stringent requirement on the owners of the cars.

TGBelcher/llw

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about to reach a decision on a matter of such importance without even having discussed the question with me or my staff. Mr. Pelaghias then pointed out that this matter had been discussed on numerous occasions with Ambassador Wilkins and was the subject of several communications and in each case we had ended in disagreement. He said that the limistry could see no utility in engaging in another round of conversations which would only end up with the same disagreement. Therefore the decision had been taken to withdraw the privileges and immunities previously accorded the radio station personnel, based on the oft-repeated grounds that they were not part of the administrative and technical staff of the Embassy since the communication facilities in which they worked had no connection whatsoever with normal diplomatic and consular intercourse between our two countries.

I pointed out that my Government had always maintained that these stations were diplomatic radio stations engaged in official activities and therefore should be accorded official status and their personnel should be treated accordingly. I pointed out that we had numerous radio stations in a number of countries and that to my knowledge no other Covernment insisted on this interpretation of their function. Mr. Pelaghias interposed that he understood that our radio facility in Libya operated with no privileges and no irmunities for the staff. I said I would have to check that assertion because I found it difficult to believe that aside from the question of the status of the personnel we could hardly accept the Minister's note as constituting an agreement in sufficient detail to cover the operation of the stations themselves particularly in view of the continued assertion that the stations had no official status. I pointed out the need to control access to the stations because of certain classified equipment which was in use and also brought up the question of the liability of the individuals working there for acts committed in line of official duty. We would have to have some assurance that the agreement covered both the question of the importation of equipment and supplies and that there was some protection accorded the individuals for their acts carried out in the course of their duties. The Minister assured me that there would be no problem regarding the importation of official supplies and that these could come in in my name but the question of the status of personnel would have to be in accordance with the terms of his note. I pointed out that I had reported his Government's views to Washington and I was awaiting instructions before expressing myself any further on this matter. In the meantime I reiterated my view that the status quo should be preserved until such time as we could come to an agreement.

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During our discussion frequent reference was made by the Cypriots to the Vienna Convention but always with the assertion that the convention did not apply since the Government could not consider the individuals concerned as members of the Embassy administrative and technical staff.

It was agreed that we would have a further meeting with the Chief of Protocol before any action would be taken by the GDC and the Minister said that he would be in touch with he regarding the ATL question as soon as he had canvassed the other members of the Committee, including the President of the House to get their final approval of this or some modified proposal. (See HemCons with Clerides December 16 and with Solomides December 16.)

TGBelcher/llw

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MEMORANDUM OF CONVERSATION

PARTICIPANTS: Mr. Renos Solomides, Minister of Finance

Ambassador Belcher

PLACE: Home of Lellos Demetriades DATE: December 16, 1964

SUBJECT: Communications Facilities -- Privileges and Immunities

After dinner at Mr. Demetriades' (House of Representatives) home, I had a long talk with the Minister of Finance. After listening to his complaints about the operation of the AID program in Cyprus for some time, I brought up the question of the ATT, plates about which we had had conversations previously. I went over rather briefly the details of my most recent conversation with Mr. Araouzos (as set forth in MemCon dated December 16) making much the same points as I had made previously with the President of the House, Mr. Clerides (see Memcon December 16).

Mr. Solomides seemed impressed with my argument and said that as a member of the Privileges and Immunities Committee he would examine the matter with a view to settling the question on the basis of payment of the registration fee and the 1965 circulation tax without any retroactive assessments. He also felt that it was a fair proposition to allow an individual who might want to, to take his car off the road in order to avoid payment of either assessment.

COMMENT: If one can have any confidence in the statements made to me by the President of the House and Mr. Solomides, one can only speculate as to whomon the Privileges and Immunities Committee is actually taking the tough line described by Mr. Araouzos in his conversation with me. It would seem highly unlikely that it would be Mrs. Soulioti (Minister of Justice). That leaves only the Minister of Labor and Mr. Araouzos himself.

AMB:TGBelcher: jsw:12/17/64

GROUP 3

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